NOVEMBER 19, 1990

THE DIRECTOR OF THE DIVISION OF STATE LANDS & FORESTRY TOOK FORMAL ACTION ON NOVEMBER 19, 1990, AT 9:30 A.M. IN THE DIVISION OF STATE LANDS & FORESTRY OFFICE, 355 WEST NORTH TEMPLE, 3 TRIAD CENTER, SUITE 400, SALT LAKE CITY, UTAH 84180-1204, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

MINERAL LEASE APPLICATION

OIL, GAS & HYDROCARBON MINERAL LEASE APPLICATION - APPROVED

Upon recommendation of Mr. Blake, the Director approved the Oil, Gas and Hydrocarbon lease application listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The application has been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available.

Min. Lease Appl. No. 45106
William R. Henkle, Jr.
230 Finch Way
Carson City NV
89704

T6S, R22E, SLB&M Sec. 2: Lots 1, 2, 3, 4, 268.39 acres S%NW%, SW%

TOTAL ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon leases listed below to Larry White (50%) and Robert L. Dow, Jr. (50%), 1505 Hermosa Place, Colorado Springs, CO 80906, by Vern Jones. No override.

LEASE OWNERSHIP: VERN JONES

....ML 45009....ML 45013....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon lease listed below to Cimarron Chemical Inc., 1400 Post Oak Boulevard, Suite 925, Houston, TX 77056, by TOC-Rocky Mountains Inc. No override, but subject to 6.25% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: TOC-ROCKY MOUNTAINS INC.

....ML 26972....

PAGE NO. TWO NOVEMBER 19, 1990

INTEREST ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of 100% interest in part of leased lands: N%NW%, SW%NW% Sec. 32, T19S, R21E, SLB&M., in and to the Oil, Gas, and Hydrocarbon lease listed below to Cimarron Chemical Inc., 1400 Post Oak Boulevard, Suite 925, Houston, TX 77056, by TOC-Rocky Mountains Inc. No override, but subject to overrides as previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP:

T19S, R21E, SLB&M. Sec. 32: N½NW¼, SW¼NW¼

TOC-ROCKY MOUNTAINS INC .-- 100%

....ML 27635

Upon recommendation of Mr. Bonner, the Director approved the assignment of 100% interest in part of leased lands: N½NW¼, SW½NW¼ Sec. 32, T19S, R21E, SLB&M., in and to the Oil, Gas, and Hydrocarbon lease listed below to Pioneer Oil and Gas, 6925 Union Park Center, Suite 145, Midvale, UT 84047, by Cimarron Chemical Inc. No override, but subject to overrides as previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP:

T19S, R21E, SLB&M. Sec. 32: N½NW¼, SW¼NW¼

CIMARRON CHEMICAL INC .-- 100%

....ML 27635

Upon recommendation of Mr. Bonner, the Director approved the assignment of 50% interest in and to the Oil, Gas, and Hydrocarbon lease listed below to Cimarron Chemical Inc., 1400 Post Oak Boulevard, Suite 625, Houston, TX 77056, by TOC-Rocky Mountains Inc. No override, but subject to 8.795% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP:

NICOR EXPLORATION COMPANY--50%, AND

TOC-ROCKY MOUNTAINS INC. -- 50%

....ML 27489....

PAGE NO. THREE NOVEMBER 19, 1990

INTEREST ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (cont.)

Upon recommendation of Mr. Bonner, the Director approved the assignment of 50% interest in and to the Oil, Gas, and Hydrocarbon lease listed below to Cimarron Chemical Inc., 1400 Post Oak Boulevard, Suite 625, Houston, TX 77056, by TOC-Rocky Mountains Inc. No override, but subject to 6.5% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP:

NICOR EXPLORATION COMPANY--50%, AND TOC-ROCKY MOUNTAINS INC.--50%

....ML 33908....

OPERATING RIGHTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of 7.894737% interest in operating rights from the surface of the earth down to the base of the Green River Formation in part of leased lands: E½, NE½NW½, SE½SW½ Sec. 36, T8S, R16E, SLB&M., in and to the Oil, Gas, and Hydrocarbon lease listed below to Lomax Exploration Company, 13405 Northwest Freeway, Suite 314, Houston, TX 77040, by Merit Exploration, Inc. No override.

LEASE OWNERSHIP:

NGC ENERGY COMPANY--75%, AND CHORNEY OIL COMPANY--25% OPERATING RIGHTS: From the surface down to the base of the Green River Formation as encountered in Lomax State 1-36 Well in the

NE%SW% Sec. 36, T8S, R16E, SLB&M.

T8S, R16E, SLB&M.

Sec. 36: NE%NW%, N%NE%, S%NE%, SE%, SE%SW% PG&E RESOURCES COMPANY--37.5%, LOMAX EXPLORATION COMPANY--18.234845%, CHORNEY OIL COMPANY--12.5%, LOMAX OIL AND GAS COMPANY--9.789474%, MERIT EXPLORATION INC.--7.894737%, THOMAS H. BATTLE--5.526316%, EDWARDS & DAVIS ENERGY, INC.--5.131580%, ARDEN A. ANDERSON--2.238806%,

ARDEN A. ANDERSON--2.238806%, ANTON E. MEDUNA--1.18421%, AND W.S. DUMAS, JR.--.000032%

....ML 22061....

PAGE NO. 3

PAGE NO. FOUR NOVEMBER 19, 1990

OPERATING RIGHTS--OIL, GAS, AND HYDROCARBON LEASES (cont.)

Upon recommendation of Mr. Bonner, the Director approved the assignment of 5.526316% interest in operating rights from the surface of the earth down to the base of the Green River Formation in part of leased lands: E½, NE½NW¼, SE½SW¼ Sec. 36, T8S, R16E, SLB&M., in and to the Oil, Gas, and Hydrocarbon lease listed below to Lomax Exploration Company, 13405 Northwest Freeway, Suite 314, Houston, TX 77040, by Thomas H. Battle, who reserves .276341% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP:

NGC ENERGY COMPANY--75%, AND CHORNEY OIL COMPANY--25% OPERATING RIGHTS: From the surface down to the base of the Green River Formation as encountered in Lomax State 1-36 Well in the NE%SW% Sec. 36, T8S, R16E, SLB&M.

T8S, R16E, SLB&M.

Sec. 36: NE%NW%, N%NE%, S%NE%, SE%, SE%SW%
PG&E RESOURCES COMPANY--37.5%,
LOMAX EXPLORATION COMPANY--18.234845%,
CHORNEY OIL COMPANY--12.5%,
LOMAX OIL AND GAS COMPANY--9.789474%,
MERIT EXPLORATION INC.--7.894737%,
THOMAS H. BATTLE--5.526316%,
EDWARDS & DAVIS ENERGY, INC.--5.131580%,
ARDEN A. ANDERSON--2.238806%,
ANTON E. MEDUNA--1.18421%, AND

W.S. DUMAS, JR.--.000032%

....ML 22061....

PAGE NO. FIVE NOVEMBER 19, 1990

OPERATING RIGHTS--OIL, GAS, AND HYDROCARBON LEASES (cont.)

Upon recommendation of Mr. Bonner, the Director approved the assignment of 5.526316% interest in operating rights from the surface of the earth down to the base of the Green River Formation in part of leased lands: S½, SW½NW¼, SE½NE¾ Sec. 2, T9S, R16E, SLB&M., in and to the Oil, Gas, and Hydrocarbon lease listed below to Lomax Exploration Company, 13405 Northwest Freeway, Suite 314, Houston, TX 77040, by Thomas H. Battle, who reserves .276316% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP:

NGC ENERGY COMPANY--75%, AND
RAYMOND CHORNEY--25%

OPERATING RIGHTS: From the surface down to the base of the Green River Formation

T9S, R16E, SLB&M.

Sec. 2: S%, SW%NW%, SE%NE%

PG&E RESOURCES COMPANY--37.5%,
LOMAX EXPLORATION COMPANY--14.628121%,
RAYMOND CHORNEY--12.5%,
LOMAX OIL AND GAS COMPANY--9.789474%,
MERIT EXPLORATION INC.--7.894737%,
THOMAS H. BATTLE--5.526316%,
EDWARDS & DAVIS ENERGY, INC.--5.131579%,
ARDEN A. ANDERSON--2.238806%,
LOMAX EXPLORATION COMPANY (?)--3.606757%,

ANTON E. MEDUNA--1.18421%

....ML 21839....

PAGE NO. SIX NOVEMBER 19, 1990

OPERATING RIGHTS--OIL, GAS, AND HYDROCARBON LEASES (cont.)

Upon recommendation of Mr. Bonner, the Director approved the assignment of 7.894737% interest in operating rights from the surface of the earth down to the base of the Green River Formation in part of leased lands: S½, SW½NW½, SE½NE½ Sec. 2, T9S, R16E, SLB&M., in and to the Oil, Gas, and Hydrocarbon lease listed below to Lomax Exploration Company, 13405 Northwest Freeway, Suite 314, Houston, TX 77040, by Merit Exploration, Inc., who reserves .276316% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP:

NGC ENERGY COMPANY--75%, AND
RAYMOND CHORNEY--25%

OPERATING RIGHTS: From the surface down to the base of the Green River Formation

T9S, R16E, SLB&M.

Sec. 2: S%, SW%NW%, SE%NE%

PG&E RESOURCES COMPANY--37.5%,
LOMAX EXPLORATION COMPANY--14.628121%,
RAYMOND CHORNEY--12.5%,
LOMAX OIL AND GAS COMPANY--9.789474%,
MERIT EXPLORATION INC.--7.894737%,
THOMAS H. BATTLE--5.526316%,
EDWARDS & DAVIS ENERGY, INC.--5.131579%,
ARDEN A. ANDERSON--2.238806%,

LOMAX EXPLORATION COMPANY (?) -- 3.606757%,

....ML 21839....

OVERRIDING ROYALTY ASSIGNMENT--OIL, GAS, AND HYDROCARBON LEASE

Upon recommendation of Mr. Bonner, the Director approved the assignment of 3.125% overriding royalty interest in and to the Oil, Gas, and Hydrocarbon lease listed below to Arch Oil & Gas Company, 1512 Larimer Street, Suite 300, Denver, CO 80202, by Exxon Corporation. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP:

EXXON CORPORATION--62.5%, AND PG&E RESOURCES COMPANY--37.5%

ANTON E. MEDUNA--1.18421%

....ML 22320....

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PAGE NO. SEVEN NOVEMBER 19, 1990

APPROVAL OF THE BITTER CREEK UNIT

Mitchell Energy Company, operator of the Bitter Creek Unit, has furnished this office with evidence that this unit was approved by the Bureau of Land Management on June 12, 1990.

The records of the following leases should be noted to show this approval:

ML 42234 Mitchell Energy Corporation
ML 42427 Mitchell Energy Corporation
ML 43298 Oakmont Corporation

Upon recommendation of Mr. Bonner, the Director noted the approval of the Bitter Creek Unit by the Bureau of Land Management on June 12, 1990.

APPROVAL OF THE EVACUATION CREEK UNIT

TXO Production Corporation, operator of the Evacuation Creek Unit, has furnished this office with evidence that this unit was approved by the Bureau of Land Management on July 10, 1990.

The records of the following leases should be noted to show this approval:

ML 28043 TXO Production Corporation, et al TXO Production Corporation, et al

Upon recommendation of Mr. Bonner, the Director noted the approval of the Evacuation Creek Unit by the Bureau of Land Management on July 10, 1990.

APPROVAL OF THE HELLS HOLE UNIT

Mitchell Energy Company, operator of the Hells Hole Unit, has furnished this office with evidence that this unit was approved by the Bureau of Land Management on June 12, 1990.

The records of the following leases should be noted to show this approval:

ML 42180 Mitchell Energy Corporation ML 42673 MEC Development Ltd., et al

Upon recommendation of Mr. Bonner, the Director noted the approval of the Hells Hole Unit by the Bureau of Land Management on June 12, 1990.

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SURFACE BUSINESS MATTERS

GRAZING PERMITS

GRAZING PERMIT APPLICATIONS

GP 22795 MAX WILCOX BOX 236 LASAL UT 84530

1278.96 Acres \$372.00 per annum \$20.00 application fee for 10 years.

County(s) San Juan

05/01/90 Beginning Date

T 29 S, R 24 E, SLB&M SEC. 36: All

T 29 S, R 25 E, SLB&M SEC. 32: All

Upon recommendation of Mr. Baker, Mr. Klason approved GP 22795.

GP 22796
PHILL C NIELSON
ROBERT D NIELSON
PO BOX 175
LYNNDYL UT 84640

640.00 Acres \$20.00 per annum \$20.00 application fee for 10 years.

County(s) Millard

05/01/90 Beginning Date

T 15 S, R 6 W, SLB&M SEC. 36: All

Upon recommendation of Mr. Williams, Mr. Klason approved GP 22796.

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GRAZING PERMIT APPLICATIONS (cont.)

GP 22797 VICTOR PRICE, CLINTON PRICE & ELDON PRICE PO BOX 292 CASTLE DALE UT 84513

640.00 Acres \$42.50 per annum \$20.00 application fee for 10 years.

County(s) Emery

05/01/90 Beginning Date

T 19 S, R 8 E, SLB&M SEC. 32: All

Upon recommendation of Mr. Baker, Mr. Klason approved GP 22797.

EASEMENTS

WITHDRAWAL OF EASEMENT APPLICATION NO. 31

Quintana Petroleum Co., c/o Uintah Engineering and Land Surveying Inc., 85 South 200 East, Vernal, UT, 84078, has requested the withdrawal of the above referenced easement application.

Upon recommendation of Mr. Bagley, the Director approved the withdrawal of Easement Application 31 with the \$50.00 application fee forfeited to the State.

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EASEMENT

APPLICANT'S NAME & ADDRESS

APPLICATION NO.: ESMT 68

Utah Power & Light
Burt Maxfield
1407 West North Temple, Rm 274
Salt Lake City, Utah 84140

LEGAL DESCRIPTION:

Township 1 North, Range 10 West, SLB&M Section 33: within NW4SE4, E2SW4, SW4SW4

Township 1 South, Range 10 West, SLB&M

Section 4: within Lot 4 Section 5: within Lots 1, 2,

Township 1 South, Range 11 West, SLB&M Section 16: within NW4NE4, N2NW4

more particularly described as: A right of way 25 feet in width, being 12.5 feet on each side of the following described survey line:

Beginning on a north boundary line of the Grantor's land at a point 1355 feet west, more or less, along the quarter section line form the east one-quarter corner of Section 33, TlN, RlOW, SLB&M, thence S 43°47' W 145 feet, more or less, thence S 55°07' W 5103.5 feet, thence S 69°25' W 2390 feet, more or less, to a west boundary line of said line and being in the NW4SE4, E2SW4, & SW4SW4 of said Section 33, and in Lot 4 of Section 4, Lot 1, 2, Section 5, TlS, RlOW, SLB&M; containing 4.38 acres, more or less.

Beginning on a north boundary line of the Grantor's land at a point 655 feet east, more or less, along the Section line form the north one-quarter corner of Section 16, TIS, RIIW, SLB&M, thence S 70°33' W 3505.0 feet, more or less, to the west boundary line of said land an being in the NW4NE4, N2NW4 of said Section 16; containing 2.01 acres, more or less.

A right of way 10 feet in width, being 5 feet on each side of the following described survey line:

Beginning in the first above described survey line on the Grantor's land at a point 105 feet south and 1460 feet west, more or less, from the east one-quarter of Section 33, TlN, RlOW, SLB&M, thence S 40°33' E 68 feet on said land and being in the NW4SE4, of said Section 33; containing 0.02 of an acre, more or less.

PAGE NO. ELEVEN NOVEMBER 19, 1990

EASEMENT 68 (cont.)

Beginning in the first above described survey line on the Grantor's land at a point 400 feet south and 405 feet west, more or less, from the NE corner of Section 5, TIS, R10W, SLB&M, thence S 27°44' E 68 feet on said land and being in Lot 1 of said Section 5; containing 0.02 of an acre, more or less.

COUNTY: Tooele

ACRES: 6.43 more or less.

PROPOSED ACTION:

The applicant desires an easement twenty-five feet wide and 675.37 rods long, and a ten foot wide easement 8.24 rods long across State trust lands to install an electrical transmission line.

RELEVANT FACTUAL BACKGROUND:

On October 2, 1990, the Division received an application for an easement to extend electrical transmission lines across State Lands. The appropriate application fee was received at that time, and a search of Division records disclosed that two active grazing permits, one easement, two rights of way and two easement applications exist. The final Environmental Impact Statement for USPCI Clive Incineration Facility, page 1-9, item 1.3 <u>AUTHORIZING ACTIONS</u>, indicates that the permits, licenses, and approvals that would be required for the construction, operation, and closure of the proposed USPCI Clive Incineration Facility are listed in Table 1-2. The federal, state, and local agencies responsible for each action, one of which is the State Lands and Forestry easement, are identified in the table.

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EASEMENT 68 (cont.)

CRITERIA FOR EVALUATION:

The conditional exclusion of easements from the Record of Decision process does not apply if any of the following four conditions exist:

- 1. The proposed easement is located entirely on State land and is not located in an existing easement corridor.
- 2. The proposed easement is for longer than 30 years.
- 3. The applicant is not willing to pay the fee as determined by the Division.
- 4. The proposed easement will have an unreasonably adverse affect on the developability or marketability of the subject property.

EVALUATION OF FACTS:

The standard fee for a twenty-five and ten foot transmission line easement is \$12.00 per rod. Preliminary modeling indicates that the property would have to be worth more than \$1,021.00 per acre in order to exceed the per rod rate. Because the Tooele County Assessor's Office places an estimated market value for this property at \$350.00 per acre, the per rod amount will be used.

The proposed easement is not located entirely on State Land, is for a term of 30 years, and the applicant had already paid the indicated fees. The subject easement is adjacent to and does not appear to conflict with the existing easements. As far as the staff had been able to determine, there will be no unreasonable adverse affect on the developability or the marketability of the subject property. Therefore this summary will constitute the Record of Decision.

STAFF RECOMMENDATION:

It is the recommendation of Mr. Tripp that the above described application for an easement be approved with the fee being \$8,203.47 plus a \$50.00 application fee, with a \$20.00 administrative fee being assessed every three years beginning January 1, 1993.

Upon recommendation of Mr. Tripp, the Director approved Easement 68.

PAGE NO. THIRTEEN NOVEMBER 19, 1990

EASEMENTS

EASEMENT 58

We have been notified by the Bureau of Land Management, Fillmore, Utah 84631 that they wish to exercise their reserved right-of-way for ditches and canals for the purpose of conveying water through a pipeline located and described as follows:

Township 19 South, Range 8 West, Salt Lake Base and Meridian Section 30: N2NW4, SE4NW4, S2NE4 Millard County 4.30 acres

Staff has field checked the site and finds it will not have any affect on the stated use developability or marketability of the property. Because this is a reserved easement by the Federal government, no fees are assessed.

Upon recommendation of Mr. Brown, the Director approved Easement 58.

GRAZING PERMITS

GRAZING PERMIT 22221A (Addition of AUM's)

Thurman Spencer, PO Box 247, Escalante, UT 84726 was the successful bidder for additional AUM's available in his Federal allotment. One Hundred Eighteen (118) AUM's should be added to GP 22221A. The additional fees of \$219.48 grazing fee, \$5.90 Weed Control fee, \$20.00 Amendment fee and a bid of \$50.00 have been submitted. Garfield and Kane Counties.

Upon recommendation of Mr. Williams, Mr. Klason approved the above captioned amendment to GP 22221A.

GRAZING PERMITS

ASSIGNMENT OF GRAZING PERMIT NO. 20710

Norma P. Blankenagel, P.O. Box 115, La Sal, UT 84530 has requested permission to assign 100% of her interest in the above referenced grazing permit to Jim Blankenagel, P.O. Box 276, La Sal, UT 84530. The \$20.00 assignment fee has been submitted.

Upon recommendation of Ms. Kleinke, Mr. Klason approved the assignment of GP 20710.

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RIGHTS OF WAY

RIGHT OF ENTRY NO. 3528

On November 8, 1990, Mr. Doug Fullmer, S.E. Area Land Specialist, pursuant to R632-40-2, and in accordance with direction and delegation of authority, approved the request of Frontier Exploration, 7388 S. Revere Parkway, Bldg. 902, Englewood, CO 80112, to occupy the following described State land for the purpose of conducting a seismic survey – shothole method:

T37S, R21E SLB&M San Juan Co. Sec. 32: Runs diagonally, S4 corner to E4 corner

The fee for this right of entry is the minimum fee of \$150.00, plus a \$50.00 application fee, equals \$200.00; school fund. Expiration date: February 8, 1991.

In accordance with direction and delegation from Mr. Storey, Mr. Fullmer approved Right of Entry 3528 with an expiration date of February 8, 1991.

RIGHT OF ENTRY NO. 3529

On November 8, 1990, Mr. Doug Fullmer, S.E. Area Land Specialist, pursuant to R632-40-2, and in accordance with direction and delegation of authority, approved the request of Wilderness Conquest, Inc., P.O. Box 12, Monticello, UT 84535, to occupy the following described State land for the purpose of conducting wilderness survival training:

T39S, R11E SLB&M Sec. 36: Within San Juan Co.

T39S, R12E SLB&M Sec. 2: Within

T29S, R12E SLB&M Sec. 32: Within Sec. 36: Within

T40S, R11E SLB&M Sec. 2: Within

T40S, R12E SLB&M Sec. 2: Within Sec. 16: Within Sec. 32: Within Sec. 36: Within

T37S, R13E SLB&M Sec. 36: Within PAGE NO. FIFTEEN NOVEMBER 19, 1990

ROE 3529 (cont.)

T39S, R13E SLB&M Sec. 2: Within Sec. 16: Within Sec. 32: Within Sec. 36: Within

T39S, R14E SLB&M Sec. 16: Within Sec. 32: Within

T38S, R14E SLB&M Sec. 2: Within Sec. 16: Within Sec. 32: Within Sec. 36: Within

T38S, R15E SLB&M Sec. 2: Within Sec. 16: Within Sec. 32: Within

T37S, R14E SLB&M Sec. 16: Within Sec. 32: Within Sec. 36: Within

The fee for this right of entry is \$150.00, plus a \$50.00 application fee, equals \$200.00; school fund, paid initially, and a \$1.00 per rider, the total fee would be the greater of either the \$150.00 or the \$1.00 per rider. Expiration date: November 30, 1991.

In accordance with direction and delegation from Mr. Storey, Mr. Fullmer approved Right of Entry 3529 with an expiration date of November 30, 1991.

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RIGHT OF ENTRY NO. 3530

On November 9, 1990, Mr. Doug Fullmer, S.E. Area Land Specialist, pursuant to R632-40-2, and in accordance with direction and delegation of authority, approved the request of Image Factory, Inc., 2501 W. Burbank Blvd., Burbank, CA 91505, to occupy the following described State land for the purpose of commercial moving photography:

T25S, R21E SLB&M Grand Co. Sec. 32: Within SE4

The fee for this right of entry two (2) days filming @ \$100/day, totals \$200.00, plus a \$50.00 application fee equals \$250.00; school fund. Expiration date: November 16, 1990.

In accordance with direction and delegation from Mr. Storey, Mr. Fullmer approved Right of Entry 3530 with an expiration date of November 16, 1990.

MATERIALS PERMITS

MATERIALS PERMIT NO. 112 (Conversion of ML 38989)

Albert Spensko, Utah Department of Transportation, Route 3 Box 75C5, Price, UT 84501 has requested that in accordance with R632-150-10, the above referenced mineral lease be converted to Materials Permit No. MP 112. Since staff initiated this action, no fee for this conversion was requested.

Upon recommendation of Mr. Fullmer, the Director approved the conversion of ML 38989 to Materials Permit No. MP 112.

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SPECIAL USE LEASES

SPECIAL USE LEASE NO. 851

NAME OF LESSEE:

Harold H. Hunter P.O. Box 1165 Moab, UT 84532 LESSEE NO: 5482

RECORD OF DECISION NO: 90-0223-SULA851

APPROVAL DATE: August 29, 1990

LEASE TYPE: REC

DATE OF APPLICATION: 10/11/89
BEGINNING DATE: September 1, 1990
EXPIRATION DATE: August 31, 2010

COUNTY: Grand (10)
TERM OF LEASE: 20 years

RENTAL: \$250.00

FUND: School

DUE DATE: 0901

APPLICATION FEE: \$50.00 993 ADVERTISING FEE: \$26.10

REASSESSMENT DATE: September 1, 1993

ADVERTISING FEE: \$26.10
TOTAL AMOUNT COLLECTED: \$326.10

ACRES: 20.0 LEGAL DESCRIPTION:

Township 24 South, Range 20 East SLB&M

Section 22: SW4NE4NE4NW4, SE4NW4NE4NW4, E2SW4NE4NW4, SE4NE4NW4

COMMENTS: N/A

REFUNDS: N/A

Special Use Lease 851 was approved by the Director on August 29, 1990, and is submitted by Mr. Fullmer on these minutes for record keeping purposes.

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EASEMENTS

APPLICANT'S NAME & ADDRESS:

Utah Power & Light Company

Attn: Mark G. Whitlock

1407 West North Temple, Room 274

Salt Lake City, UT 84140

LEGAL DESCRIPTION:

Township 40 S, Range 21 East SLB&M

Sec. 13: SE4SE4 (metes & bounds follows)

Township 40 South, Range 22 East SLB&M

Sec. 17: S2S2, SE4SE4 (metes & bounds follows)

Sec. 18: S2S2, SW4SW4 (metes & bounds follows)

Sec. 20: NE4NE4 (metes & bounds follows)

Sec. 21: N2N2, NW4NE4 (metes & bounds follows)

Sec. 22: N2N2 (metes & bounds follows)

Sec. 23: N2N2 (metes & bounds follows)

A right of way 50 feet in width, being 25 feet on each side of the following described survey line:

APPLICATION NO.: ESMT 64

Beginning on the Grantor's land at a point 621 feet north and 46 feet east, more or less, from the southwest corner of Section 18, T40S, R22E, SLB&M, thence S 62°02'E 109 feet thence N 66°52'E 456 feet, thence S 86°28'E 9,277 feet, thence S 73°37'E 759 feet, thence S 89°22' E 3,341 feet, thence S 86°29'E 12,485 feet, more or less, to the east boundary line of said land and being in the S 1/2 of the S 1/2 of said Section 18, the S 1/2 of the S 1/2 of Section 17, the NE 1/4 of the NE 1/4 of Section 20, the N 1/2 of the N 1/2 of Section 21, the N 1/2 of the N 1/2 of Section 23, Township and Range aforesaid; containing 30.3 acres, more or less.

A right of way 10 feet in width, being 5 feet on each side of the following described center line.

Beginning in the above described survey line on the Grantor's land at a point 621 feet north and 46 feet east, more or less, from the southwest corner of Section 18, T40S, R22E, SLB&M, thence N 62°02'W 65 feet, more or less, on said land and being in the SW 1/4 of the SW 1/4 of said Section 18, and the SE 1/4 of the SE 1/4 of Section 13, T40S, R21E, SLB&M; containing 0.01 of an acre, more or less.

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EASEMENT 64 (cont.)

Beginning in the above described survey line of the Grantor's land at a point 621 feet north and 46 feet east, more or less, from the southwest corner of Section 18, T40S, R22E, SLB&M thence S 27°58'W 65 feet, more or less, on said land and being in the SW 1/4 of the SW 1/4 of said Section 18; containing 0.01 of an acre, more or less.

Beginning in the above described survey line on the Grantor's land at a point 570 feet north and 142 feet east, more or less, from the southwest corner of Section 18, T40S, R22E, SLB&M thence S 2°25'W 65 feet, more or less, on said land and being in the SW 1/4 of the SW 1/4 of said Section 18; containing 0.01 of an acre, more or less.

Beginning in the above described survey line on the Grantor's land at a point 749 feet north and 562 feet east, more or less, from the southwest corner of Section 18, T40S, R22E, SLB&M thence N 9048'W 65 feet, more or less, on said land and being in the SW 1/4 of the SW 1/4 of said Section 18; containing 0.01 of an acre, more or less.

Beginning in the above described survey line on the Grantor's land at a point 189 feet north and 728 feet west, more or less, from the southeast corner of Section 17, T40S, R22E, SLB&M thence N 9058'E 60 feet, more or less, on said land and being in the SE 1/4 of the SE 1/4 of said Section 17; containing 0.01 of an acre, more or less.

Beginning in the above described survey line on the Grantor's land at a point 25 feet south, more or less, from the northeast corner of Section 20, T40S, R22E, SLB&M thence S 8^o31'W 55 feet, more or less, on said land and being in the NE 1/4 of the NE 1/4 of said Section 20; containing 0.01 of an acre, more or less.

Beginning in the above described survey line on the Grantor's land at a point 65 feet south, and 1922 feet west, more or less, from the northeast corner of Section 21, T40S, R22E, SLB&M thence N 2005'E 60 feet, more or less, on said land and being in the NW 1/4 of the NE 1/4 of said Section 21; containing 0.01 of an acre, more or less.

COUNTY: San Juan ACRES: 30.4

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EASEMENT 64 (cont.)

PROPOSED ACTION:

The applicant is requesting an easement for a 69 KV transmission line running from the Abajo substation to Aneth.

RELEVANT FACTUAL BACKGROUND:

The proposed easement is for a new 69 KV transmission line called the Abajo Aneth Line. This will run from the Abajo substation to Aneth to provide additional power to the reservation. The applicant is requesting an easement 26,427 feet in length and 50 feet wide for the line. They are requesting additional easements 10 feet in width for a total length of 435 feet for guy anchors. This line runs parallel to an existing powerline for the length of the State land crossed.

CRITERIA FOR EVALUATION:

The conditional exclusion of easements from the Record of Decision process does not apply if any of the following four conditions exist:

- 1. The proposed easement is located entirely on State land and is not located in an existing easement corridor.
- The proposed easement is for longer than 30 years.
- The applicant is not willing to pay the fee as determined by the Division.
- 4. The proposed easement will have an unreasonably adverse affect on the developability or marketability of the subject.

EVALUATION OF FACTS:

The standard fee for a 50 foot wide transmission line is \$18/rod and for a 10 foot wide transmission line it is \$12/rod. Preliminary modeling indicates that the property would have to be worth more than \$1554 per acre in order to exceed the per rod rate. As the land value of this area is less than \$500 per acre, the per rod rate will be used.

The proposed easement is not entirely on State land and is in an existing easement corridor, it is for a 30 year term and the applicant has already paid the indicated fees. As far as the staff has been able to determine, there will be no unreasonably adverse affect on the developability or the marketability of the subject property. Therefore, this summary will constitute the Record of Decision.

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EASEMENT 64 (cont.)

STAFF RECOMMENDATION:

It is the recommendation of Mr. Fullmer that the above described application for an easement be approved with the fee being \$29,145.84 plus a \$50.00 application fee, with a \$20.00 administrative fee every three years beginning January 1, 1993.

Upon recommendation of Mr. Fullmer, the Director approved Easement 64.

INTEREST RATE

CURRENT YEAR

YEAR AGO

Base Rate

10.00

10.50

RICHARD J. MITCHELL, DIRECTOR DIVISION OF STATE LANDS/FORESRY

LESLIE M. WARNER, RECORDS SUPERVISOR